

August 30, 2004

658 Cedar Street Room 300 St. Paul, MN 5155

(651)297-1257 Fax (651)296-3698 TTY: (800)627-3529 www.eqb.state.mn.us

Mr. Joel Schroeder Invenergy LLC 233 South Wacker Drive, Suite 9450 Chicago, Illinois 60606

RE:

Acceptance of Site Permit Application: Invenergy Cannon Falls, LLC Cannon Falls Energy Center, Mankato, Goodhue County, Minnesota

EQB Docket #04-85-PPS-Cannon Falls EC

Dear Mr. Schroeder:

On August 25, 2004, Invenergy Cannon Falls, LLC, (Invenergy) filed a Site Permit application with the Minnesota Environmental Quality Board (MEQB) regarding the construction of a 357 MW, simple cycle, natural gas fueled large electric power generating plant in Cannon Falls, Minnesota.

MEQB staff has reviewed your application and has recommended that I find your application consistent with the requirements of Minnesota Rules, part 4400.1150, and that the application be reviewed pursuant to the Alternative Permitting Review process procedures in Minnesota Rules, part 4400.2000-2950. Based upon the MEQB staff recommendation and my review, I am accepting the Invenergy application with the understanding that if additional information is requested by the MEQB staff these requests will be addressed promptly.

Invenergy has committed all of the electricity generated to Northern States Power through the bidding process approved by the Minnesota Public Utilities Commission (MPUC) in that utility's resource planning process. An electric power plant selected in a bidding process approved by the MPUC is exempt from the certificate of need (CON) process (Minn. Stat. § 216B.2422, subd. 5). Invenergy, therefore, will not be required to file for a CON from the MPUC for the Cannon Falls Energy Center.

Based on the lack of public inquiry and the anticipated non-controversial nature of the proposed project, I have decided not to appoint a citizen advisory task force for this project.

Mr. Bill Storm will be the MEQB's staff project manager for this project and you may direct any future questions to him. Mr. George Johnson of the MEQB staff will serve as the public advisor for this project. We look forward to working with Invenergy to fully address any issues that may be raised in review of this application. Thank you.

Sincerely,

Environmental Quality Board

Admin Minnesota

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